
TITLE 710 SECURITIES DIVISION

Proposed Rule
LSA Document #09-619

DIGEST

Adds [710 IAC 4-15](#), under [IC 23-19](#), the Indiana Uniform Securities Act, concerning the process in submitting broker-dealer compliance reports filed with the Securities Division. Effective 30 days after filing with the Publisher.

[IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses](#)

[710 IAC 4-15](#)

SECTION 1. [710 IAC 4](#), PROPOSED TO BE ADDED AT [20100331-IR-710100044PRA](#), SECTION 1, IS AMENDED BY ADDING A NEW RULE TO READ AS FOLLOWS:

Rule 15. Broker-Dealer Compliance Reports

[710 IAC 4-15-1](#) Qualifications of approved auditors

Authority: [IC 23-19-4-11](#)

Affected: [IC 23-19-4-11](#)

Sec. 1. (a) Persons wishing to apply as an approved examiner to submit compliance reports under [IC 23-19-4-11](#) (i) must have an appropriate background, such as:

- (1) a designation as a certified public accountant;
- (2) employment as a public accountant;
- (3) a current license to practice law in Indiana; or
- (4) previous experience in securities or auditing professions acceptable to the commissioner.

(b) The applicant must not be currently registered or employed by a broker-dealer, regardless of whether that broker-dealer is registered in Indiana.

(c) The applicant must complete an application on a form acceptable to the commissioner and provide all requested information.

(Securities Division; [710 IAC 4-15-1](#))

[710 IAC 4-15-2](#) Process for submitting completed compliance reports

Authority: [IC 23-19-4-11](#)

Affected: [IC 23-19-4-11](#)

Sec. 2. After completing a compliance report, the approved examiner must submit:

- (1) the report to the securities division directly; and
- (2) a copy of the report to the broker-dealer that was examined.

(Securities Division; [710 IAC 4-15-2](#))

[710 IAC 4-15-3](#) Time limitations for auditors

Authority: [IC 23-19-4-11](#)

Affected: [IC 23-19-4-11](#)

Sec. 3. (a) An examiner may not submit a compliance report for the branches of a broker-dealer for

more than three (3) consecutive years.

(b) If an examiner submits a report for a broker-dealer in a fourth consecutive year, that compliance report will not be accepted, and the broker-dealer will not have complied with the requirements of [IC 23-19-4-11\(i\)](#).

(c) After an approved examiner submits a report on behalf of branches of a broker-dealer for three (3) consecutive years, that auditor may be engaged by that broker-dealer to complete a compliance report after two (2) years.

(Securities Division; [710 IAC 4-15-3](#))

[Notice of Public Hearing](#)

Posted: 03/31/2010 by Legislative Services Agency
An [html](#) version of this document.